

In support of SB278 - AN ACT REQUIRING MULTICHANNEL VIDEO PROGRAMMING DISTRIBUTORS TO PAY A COMMUNITY ACCESS PROGRAMMING FEE.

Submitted by:

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My name is Mark Orenstein. I live in Simsbury and am a volunteer at Simsbury Community Television as well as being on its Board of Directors. I support SB278.

Currently community access providers receive a subscriber fee that is set by PURA and the fee can only be adjusted via a "cost of living" adjustment. The subscriber fee appears on the monthly cable provider's bill and is currently seventy four cents per month (\$8.88 annually).

In the Comcast monthly bill the seventy four cents is titled as a "franchise fee". It is not a tax. In Simsbury, both Frontier and Comcast transfer what they have collected in franchise fees for that quarter directly to Simsbury Community Television. This is the major funding for the ongoing operation of SCTV.

There is a current PURA docket (21-07-26 The Public Utilities Regulatory Authority Annual Community Access Support Review) to determine the "cost of living" increase in the subscriber fee. SCTV responded to the requested information and requested a 40% increase (the maximum allowed) in the subscriber fee in an attempt to recover some of the loss of revenue due to "cord cutting". In the last five years, revenues from subscribers has decreased from \$64,295 in 2017 to \$57,304 in 2021 – nearly an 11% decrease. With "cord cutting", the revenue decrease will continue as subscribers cancel traditional cable TV service.

Bill 278 is basically an update to current regulations to account for the dramatic change in technology brought by the Internet over the last several years. Section 1A2 changes the subscriber base from today being only cable TV subscribers to the following - "Subscriber" means any residential or commercial customer who purchases one or more of the following services: (A) Video streaming, (B) Internet access, or (C) cable television. This essentially restores the subscriber base to what it was before technology allowed "cord cutting".

Most of the language in the bill appears to be the same as the current regulations including the price of five dollars as the yearly fee. However, the five dollars in the current regulations is historic. Cumulative cost of living increases via PURA now have the annual fee at \$8.88. So I suggest that this amount or the amount determined in PURA docket 21-07-06 be substituted as the yearly fee in SB278.